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El Paso
Natural Gas Compaq

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P. O. BOX 1492
EL PASO, TEXAS 79978
PHONE 915-541-5362

J. W. SOMERHALDER VICE PRESIDENT

November 18, 1991

RSPA-98-4868-4

Associate Administrator for Pipeline Safety
Dockets Unit, Room 8417
Research and Special Programs Administration
U. S. Department of Transportation
400 Seventh Street, S.W.
Washington, DC 20590

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Subject: Comments on Notice of Proposed Rulemaking (NPRM)
Research and Special Programs Administration (RSPA)
Gathering Line Definition (Docket No. PS-122, Notice 1)

Dear Administrator:

El Paso Natural Gas Company is the owner and operator of one of the major interstate natural gas pipeline transportation systems in the United States, primarily operating in the southwestern states of Texas, New Mexico, Arizona, Oklahoma, and Colorado. As of December 31, 1990, the Company operated 9,821 miles of gas transmission pipelines subject to the safety jurisdiction of the DOT and a total of 9,567 miles of gas gathering pipelines, of which 154 miles were subject to the safety jurisdiction of the DOT by virtue of currently existing regulations under Title 49, CFR, Part 192.

Even though the majority of the aforementioned gas gathering pipelines have not been subject to DOT safety jurisdiction, the Company has undertaken, in recent years, to design, construct, test, operate, and maintain these gathering facilities in accordance with the Company's engineering specifications and operating/maintenance procedures which parallel the DOT regulations, and in some cases are more stringent than the requirements of the DOT.

Regarding the proposed rulemaking under the subject Docket No. PS-122, there are several points we would like to bring to your attention, as follows:

1. Order of Determining the Gas Gathering Pipeline End Point.

If the proposed wording becomes the final rule under paragraph 192.3, Definitions, Gathering Lines, the Company has estimated that approximately 2,000 miles of our gas gathering pipelines will become jurisdictional to the DOT. This action would be contrary to the DOT's position in the preamble of the NPRM which states: "It is not the intent of this notice to extend the jurisdiction of Part 192 to cover additional pipelines."

This adverse action could be minimized if the DOT would reconsider and change the order of listing the criteria for establishing the end point of the gas gathering definition. As stated in proposed regulations, the order of determining the end point is (1) the inlet of the first processing plant, (2) custody transfer, **or** (3) commingling in the production field. In today's business practices in the production and transmission of natural gas, custody transfer between the gas producers and the transporter often occurs at the well-head or the adjacent metering facility. Our interpretation of the proposed rules would result in the reclassification of all gathering lines that do not end at a gas processing plant as being DOT jurisdictional. We do not believe this was the intent of the proposed rulemaking. We would suggest that the DOT reconsider this order of end point determination and remove any inference that there is a specific order, by inserting "**or**" between (1) and (2) and inserting words that the end point is the point furthestest downstream of the three described points, thereby providing the operator with an option for selection of the end point,

If these changes were made, our principle criteria for end points of our gas gathering lines would be either gas processing plants or points of commingling in the production fields. This would result in far fewer miles of our gas gathering pipelines being reclassified as DOT jurisdictional.

2. Processing. Plant Definition Needed.

In **addition** to this end point determination, we feel that the definition of "processing plant" needs to be more specific. The preamble of the NPRM discusses both processing and treating of gas without any final definition of processing plants even though this function is used in a very important role in the proposed regulations. The proposed wording does state that a processing plant is "used to remove liquefied petroleum gases or other natural gas liquids"; however, we feel that there are other high value constituents that are also removed for economic purposes as well as providing pipeline quality gas for domestic consumption. Some of these high value constituents are hydrogen sulfide (for sulfur production), carbon dioxide (for oil well repressuring), helium, and other commercial products. Please consider including a specific definition of "processing plants" which would differentiate between processing and treating, for the guidance of the pipeline operator,

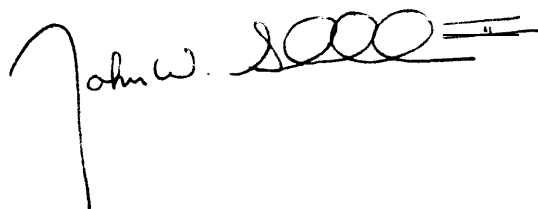
3. Operating and Maintenance Requirements for Reclassified Pipelines.

The preamble for the proposed rulemaking states that "If there are any pipelines that are reclassified as transmission pipelines, those lines would only be subject to the operating and maintenance requirements [of the DOT]..." However, nowhere in the proposed regulation wording is this provision mentioned. We submit that the proposed regulations need to be expanded to include a provision for the "grandfathering" of pipelines which are not now jurisdictional, but would be under the new regulations.

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We will appreciate your consideration of our above concerns introduced by this proposed rulemaking. We are available to discuss any of these points with the staff of the Office of Pipeline Safety or RSPA, at your convenience. **If** necessary, please contact me or Mr. William F. Quinn, Manager, Codes & Standards Division, in El Paso at telephone number (915) 541-5121.

Sincerely yours,

A handwritten signature in black ink. The first part of the signature is a large, stylized 'J' that loops around the name 'ohn W.'. The name 'ohn W.' is written in a cursive script. To the right of 'ohn W.' are three large, overlapping loops, followed by a horizontal line and a small flourish.

JWS/WFQ:dsm